

STATEMENT OF CONSIDERATIONS

REQUEST BY NUVERA FUEL CELLS (NUVERA) FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN RIGHTS TO INVENTIONS MADE UNDER A SUBCONTRACT TO COOPERATIVE AGREEMENT NUMBER DE-FC04-02AL67606, DOE WAIVER NO. W(A) 04-034.

The Petitioner, Nuvera, has requested a waiver of all domestic and foreign patent rights to inventions that may be conceived or first actually reduced to practice in the course of Nuvera's work as a subcontractor to DeNora, North America (DeNora) under Cooperative Agreement Number DE-FC04-02AL67606 entitled "Integrated Manufacturing for Advanced Membrane Electrode Assemblies" with the U.S. Department of Energy (DOE). DeNora has already requested a similar advance waiver of rights for DeNora's inventions as the prime contractor. DeNora's advance waiver petition was given the tracking number W(A) 02-036 and was approved on January 13, 2003.

The work to be done under the overall cooperative agreement will be the design, development and manufacture of improved cathodes and membranes for Proton Exchange Membrane Fuel Cells (PEMFCs). Nuvera's work under the subcontract will focus on the evaluation of normal and high temperature PEMFCs developed by De Nora and provide system component guidance. This effort work will hopefully greatly increase the efficiency and power derived from hydrogen-powered fuel cells. This work will lead to broader use of fuel cell technologies, which will result in better air quality and lowered dependence on unstable overseas oil supplies.

The overall cooperative agreement covers a period from December 1, 2001 through October 30, 2005 at a total cost to DOE of \$14.5M. DOE funds to be provided as follows: FY01/02 -- \$3.5M; FY03 -- \$3.5M; FY04 -- \$3.5M; FY05 -- \$4.0M. The subcontract itself covers a period from October 2001 through November 2005, at a total cost of \$4,288,568. Nuvera will provide \$1,501,374 as a cost share over the life of the subcontract (35%). The government contribution for the agreement and subcontract will be made through Budget & Reporting Code EE0502 sponsored by the Office of Advanced Automotive Technologies. As of September 2004 this agreement and subcontract are administered through Budget and Reporting Code HI03 sponsored by Hydrogen Fuel Cells and Infrastructure Technologies Program.

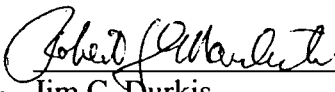
Nuvera is a Cambridge, Massachusetts and Milan, Italy-based corporation with over 10 years of experience in research, development and production of hydrogen fuel cells. Nuvera, over the last four years, has been aggressively marketing the new uses of hydrogen fuel cell technologies. Based on the dynamic nature of the technology itself, broad existing competition in this field, as well as the aggressive research and development being done in this field worldwide, it is not foreseen that the grant of this waiver would decrease competition, cause undesirable market concentration, nor place Nuvera in a dominant market position.

Nuvera has agreed to abide by 35 U.S.C. §§ 202, 203 and 204, as well as the provisions of the Standard Patent Rights clause for an Advance Waiver. Additionally, as part of the petition itself, Nuvera has agreed to the provisions of the U.S. Competitiveness Clause, which requires Petitioner to substantially manufacture any products embodying or produced through any waived invention in the United States, unless Petitioner can convince DOE it is not commercially feasible to do so. Petitioner agrees to make this condition binding on any assignee or licensee. Nuvera will abide by the Export Control laws and will require its licensees, if any, to do the same. Nuvera will expend such sums as may be required to maintain the necessary patent protection and provide incentive for commercial development of the invention. Additionally, as part of the petition itself, Nuvera has affirmatively agreed to the background data rights clause found in 48 CFR 952.227-14, Alternate VI (February 1998).

While this petition was not timely filed, Petitioner has shown good cause, in writing, for the delay. Petitioner was under the impression that an earlier petition filed by the prime contractor, De Nora, would include Petitioner's rights as well. De Nora's prior petition was approved on January 13, 2003 and was tracked as W(A) 02-036. As soon as Petitioner learned their advance waiver rights had not been addressed, Petitioner began the process of filing their waiver petition.

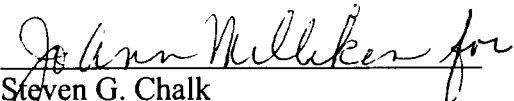
Considering Petitioner's status as a leader in the research, development, production and commercialization of fuel cell technology, it is concluded that the grant of the requested waiver is most likely to achieve commercialization success and actual implementation of the fuel cell technology which is the focus of the overall cooperative agreement on both a national and global scale.

As such, upon evaluation of the Waiver Petition in view of the objectives and considerations set forth in 10 CFR 784.4, all of which have been considered, it is recommended that the requested waiver be granted.


for Jim C. Durkis
Patent Attorney
NNSA Service Center


Based on the foregoing Statement of Considerations and the representations of the attached Waiver Petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope described above and, therefore, the waiver is granted. This waiver shall not apply to a modification or extension of the cooperative agreement where, through such modification or extension, the purpose, scope or DOE cost of the cooperative agreement have been substantially altered.

CONCURRENCE:


Steven G. Chalk
Director, Office of Hydrogen, Fuel Cells
and Infrastructure Technologies Program (EE-2H)

Date: 9-21-04

APPROVAL:


Paul A. Gottlieb
Assistant General Counsel for
Technology Transfer and
Intellectual Property (GC-62)

Date: 10-6-04

DOE Headquarters Project Manager: Valri Lightner